



Finance Committee Briefing April, 2015 YTD Results

General Fund Dayton City Commission Work Session

May 27, 2015





Today's Agenda

1. General Fund Financial Results
2. Special Issues



2015 General Fund Overview

1. Revenues and Other Sources are \$1.4M or 3% over budget and are \$2.0M greater than the same period in 2014.
2. Expenditures are \$2.6M or 4% under budget and have declined \$1.0M or 2% from the first four months of 2014.
3. Overall, at the end of April, total sources fell short of total uses by \$200,000.



Finance Committee Briefing • April 2015 YTD General Fund Results



(In millions, Does not include Special Projects)

	2015 Original Budget	2015 YTD Budget	2015 YTD Actuals	Budget Variance	Budget Variance	2014 YTD Actuals	2015 YTD Actuals	'14-'15 \$ Chg.	'14-'15 % Chg.
Revenues & Other Sources									
Income Tax	103.6	37.7	38.3	0.6	1.6%	36.2	38.3	2.1	5.8%
Property Tax	5.2	2.7	2.8	0.0	1.1%	2.9	2.8	(0.1)	-4.9%
Local Gov't Fund	6.9	2.2	2.3	0.0	2.0%	2.1	2.3	0.1	7.0%
EMS Fees	4.7	1.5	1.6	0.1	7.5%	1.4	1.6	0.2	13.5%
Fees, Charges & Other Sources	30.1	9.2	9.8	0.6	7.0%	10.1	9.8	(0.3)	-2.9%
Casino	3.3	1.6	1.6	(0.1)	-4.9%	1.6	1.6	(0.0)	-2.1%
Total Sources	153.9	55.0	56.3	1.4	2.5%	54.4	56.3	2.0	3.6%
Use of Cash Reserve	2.5	0.0	0.0	0.0	N.A.	0.0	0.0	0.0	N.A.
27th Payroll	2.3	0.0	0.0	0.0	N.A.	0.0	0.0	0.0	N.A.
Total Sources & App. Fund Balance	158.6	55.0	56.3	1.4	2.5%	54.4	56.3	2.0	3.6%
Expenditures & Other Uses									
Personnel	114.2	39.7	37.6	2.1	5.3%	37.6	37.6	(0.0)	0.0%
Contracts, Materials & Other Uses	36.0	13.6	13.6	(0.0)	-0.1%	14.0	13.6	(0.3)	-2.3%
Capital Equipment	3.4	0.8	0.3	0.5	60.5%	0.8	0.3	(0.5)	-60.5%
Capital Improvements	2.5	2.5	2.5	0.0	N.A.	0.2	2.5	2.3	1118%
Development	2.5	2.5	2.5	0.0	N.A.	5.0	2.5	(2.5)	-50.0%
Total Uses	158.6	59.1	56.5	2.6	4.3%	57.5	56.5	(1.0)	-1.8%
Excess/(Shortfall) of Sources Over Uses	0.0	(4.1)	(0.2)			(3.2)	(0.2)		

Notes:

1. Amounts may not sum due to rounding.
2. Does not include special projects, which are reported separately.
3. 2015 Budget includes adopted budget only and does not include prior year's encumbrances.
4. Actuals include exp. against current year appropriation and against prior year's appropriation that carried forward.
5. Other Sources includes interest earnings and operating transfers in.
6. Other Uses include debt service and miscellaneous operating transfers out.

2015 Year To Date Tracking



% Change over Prior Year				
	Jan YTD	Feb YTD	Mar YTD	Apr YTD
Income Tax	2.5%	4.9%	8.6%	5.8%
Total Revenue & Other Sources	-0.1%	-1.4%	4.2%	3.6%
Personnel	0.4%	0.3%	0.2%	0.0%
Total Expenditures & Other Uses	-3.3%	-3.9%	-3.4%	-1.8%
Revenue & Other Sources over Exp & Other Uses	(2.4)	(2.8)	0.4	(0.2)

Includes extra Friday income tax collections

Reflects annual filing for income tax which is the largest collection month

Denotes Month(s) with Three City Payrolls

Sources and Uses by Month					
	Jan MTD	Feb MTD	Mar MTD	Apr MTD	Apr YTD
Sources	13.1	12.5	14.3	16.5	56.3
Uses	15.5	12.9	11.1	17.0	56.5
Monthly Excess/(Shortfall)	(2.4)	(0.4)	3.2	(0.5)	(0.2)

Extra PF/BB Pay of \$2.5M and Annual Health Savings Account Expenditure of \$2.6M

Includes annual Capital (\$2.5 M) and Development (\$2.5 M) transfers

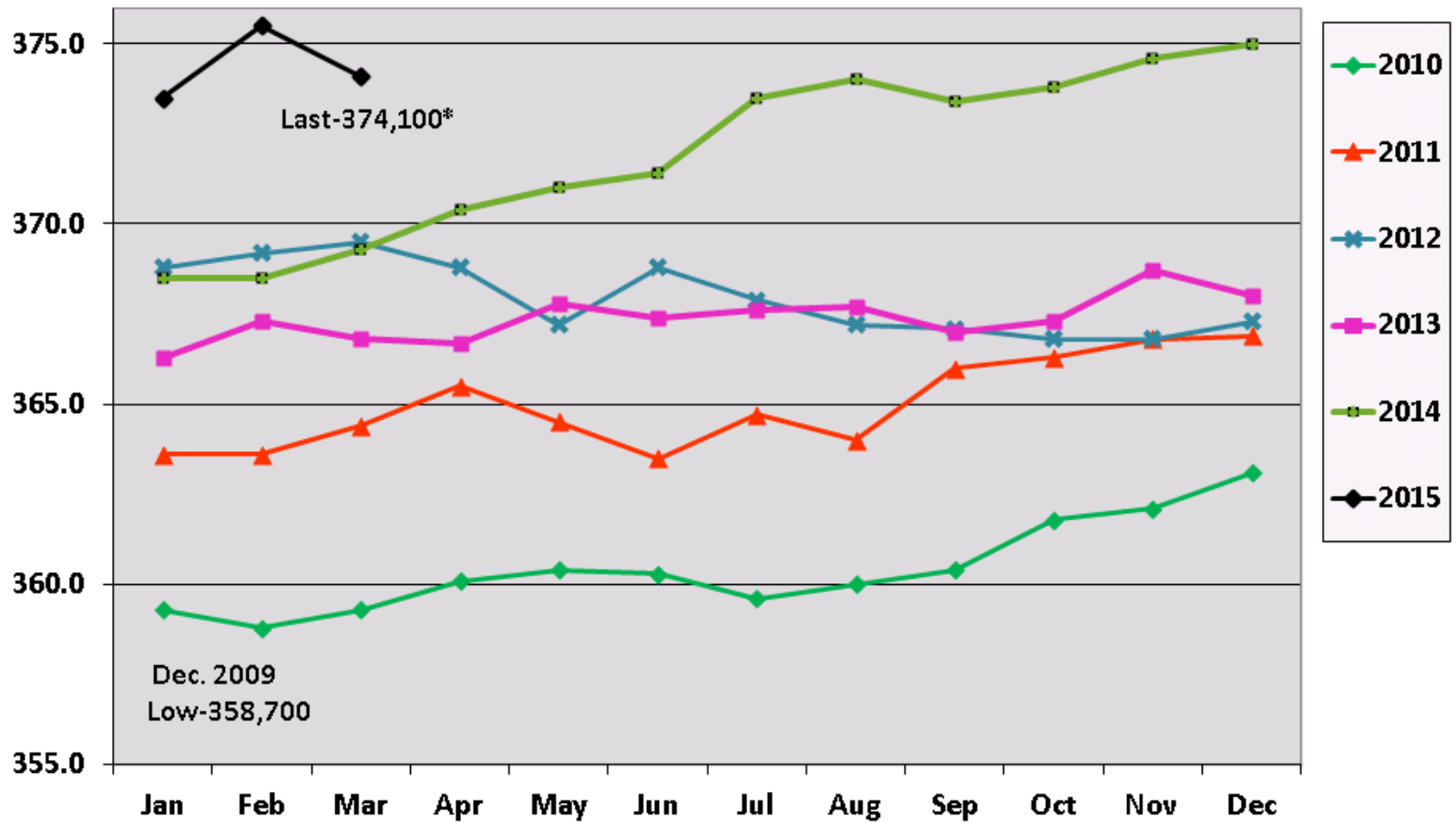




Dayton MSA Total Non-Farm Employment

From Peak to Trough the Region Lost 68,400 or 16% of the Job Base. However, Employment is up 15,400 Since Reaching its Nadir in December of 2009.

(in thousands)



Note: BLS revised data to incorporate 2014 benchmarks and update seasonal adjustment factors.

2015 General Fund Revenues

- Income Tax collections are \$600,000 or 2% over budget and have increased 6% or \$2.1M compared to the same period last year.

1. April is our largest collection month and requires additional time to process.
2. The total amount of April refunds will not be known until we close the accounting period at the first week of June.
3. April is our bellwether month, as it is the deadline for annual filers.



2015 General Fund Revenues

- Property Tax revenues through April indicate that collections are slightly ahead of the forecast even though revenue has declined 5% when compared to 2014.
 1. At this point, we are comparing the first half settlements of 2014 and 2015.
 2. We forecasted an 8% decrease in collections as real property values fell as a result of the six-year real property revaluation.
 3. The millage distribution to the General Fund in 2015 is unchanged from 2014 at 4.5 mills (the remaining 5.5 mills supports debt in the Bond Retirement Fund).





2015 General Fund Revenues

- Local Government Fund (LGF) receipts exceeded the YTD budget by \$44,000 and are up 7% over the same period in 2014.
 1. Ten months into the SFY, state tax sources have increased \$1.1B or 6.5% and are \$454M (2.6%) over estimate. This is being driven by strong performance in the State's income tax collections.
 2. The Governor's proposed SFY 2016-2017 budget (impacting the second half of 2015) would further reduce income tax rates at the expense of higher sales and other taxes.





2015 General Fund Revenues

- Fees, Charges & Other Sources are \$600,000 or 7% ahead of the budget, but have fallen \$300,000 compared to 2014.
 1. The timing of write-offs continues to be a major factor.
 2. Public safety traffic enforcement revenues have come in higher than originally estimated for 2015. Collections through April totaled \$902,000.
 3. Permit activity reflects a 10% increase in revenue (\$33,000).
- Casino Taxes total \$1.6 million through April and are 2% (or \$33,000) less than last year.
- Meeting with the 2 Racino Host Communities held with Governor's Office.



2015 General Fund Expenditures

- Personnel Costs are under budget by 5% or \$2.1M and are flat compared to the first quarter of 2014.
 1. Negotiated wage increase of 3% have been implemented for Police, Building Trades, and D.P.S.U. employees with retroactive pay being processed by the end of June. PTS employees 3% increase is in process and retroactive pay will follow later in the year. Currently in negotiations with I.A.F.F.
 2. The average number of employees in the General and Street Maintenance Funds declined by 26 positions or 2%, from 1,219 to 1,193 (April, 2014 YTD to April, 2015 YTD).





2015 General Fund Expenditures

- Contracts, Materials & Other Uses are slightly under budget by \$400,000 at the end of April, reflecting a 2% decline in spending compared to the same period last year.
 1. The reimbursement to schools of \$382,000 occurred in January of 2014 (delayed from December, 2013).
 2. Timing is a contributing factor related to the budget variance.

Special Issues



2015 Pending Budget Issues	Estimate Min.		Estimate Max.
Winter Weather Response (overtime, replenish salt supply, equipment repair)	\$ 750,000	to	\$ 1,000,000
Income tax estimated payment awaiting filing	\$ -	to	\$ 1,000,000
Racino payments unpaid to date	\$ -	to	\$ 500,000
COPS Hiring grant ineligible costs (appeal to DOJ being compiled by Police)	\$ 300,000	to	\$ 600,000
Transportation Center Garage Software			\$ 521,000
ODOT Engineering Charge Reimbursement			\$ 452,000
<u>Notes:</u>			
(1) Assumes body cameras for Police will be a 2016 budget issue (year 1 cost at \$500,000).			
(2) Costs related to H.B. 5 implementation and needed changes to the income tax system are estimated at \$231,000.			





Thank you.

Questions?

